GLOBAL VIRTUAL WORKSHOP


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CASE STUDY: VIENNA, AUSTRIA

in partnership with:

UN-HABITAT
FOR A BETTER URBAN FUTURE
About Vienna:

- Capital city, municipality and state, biggest city of the country, 5th biggest in the EU
- 414.78 km², of which 19.39 km² water and 53% green areas
- 1,911,191 inhabitants (2020), 51.2% women, population growth expected to reach 2 million by 2027
- Economy based on services (85.4%), industry and business (14.5%) who make up most of the gross value added in the city
- A high degree of politicisation of corona-measures had to be noted in the relations between national and city governments

— Immediate reactions of the city to set up an additional medical facility at Vienna fair with 800 beds for light Covid-19/SARS cases, to secure all services in the health and social sector as well as the provision of food and daily needs. Public companies – energy, waste, water and transport – reacted swiftly to keep up high quality, maximum safety and continuity of their services for the citizens. Schools were not closed, but education was moved to remote schooling, however, schools remained open to care for children whose parents had to work, e.g. in critical infrastructure.

— Information and communication with citizens via a designated website in many languages, using media and a special 24/7 helpline was set up by the city.

— Already in the third week of confinement and lock-down, tremendous rates of short time work, job losses and problems in the local economy.

— Housing is at the heart of the crisis: Vienna stopped any eviction due to non-payment of rent as a consequence of confinement measures in its municipal housing stock of 220,000 flats, the cooperative sector followed this example immediately, national government decided similar, albeit weaker measures for the private rental sector. In June 2020, the city announced to build 1000 new municipal flats in the coming years.

— By 11th August, 2020, 5,655 positive cases in Vienna, 4,714 recovered, 204 deaths.
The outbreak of the Covid-19 pandemic represents a break in the development of the Viennese economy. The last five years of stable growth in Vienna's economy and labor market was abruptly ended by Covid-19. A severe recession is expected for Vienna in 2020 and the following years.

- The economic output is expected to shrink by at least 4.1% this year, with slight structural advantages compared with the rest of Austria (5.2%) and equally significant employment losses (Vienna -1.5%, Austria -1.7%).
- Short time work is expected to lead to more unemployment in the medium and long term when the economic decline continues.
- More than two thirds of the workforce in Vienna is hit by the crisis; most impact was in tourism - hotels overnight stays fell by 88 percent by June 2020 - and gastronomy, the related cultural and arts sector, education and retail.
- With stable city finances, Vienna can build on reserves from the past years to cope with the crisis; the city has invested about 150 mio. euros in corona-related activities and will continue to do so.
- On the governance side, the „Vienna Economic Council“, consisting of the social partners, research and business representatives as well as the economic and innovation-related organisations of the City of Vienna, was tasked by Mayor Ludwig end of March to develop economic recovery plans.
The Vienna Economic Council has coordinated business-related measures for Vienna since early April to care for economic and labor market recovery. These include acute but also long-term measures such as:

- Suspension of fees (for outdoor facilities of restaurants, open markets)
- Production of protective masks in Vienna
- Subsidies of the Vienna Business Agency (Home Office, "Wien-Online")
- Labor market package (work foundation, inter-company apprenticeship, etc.)
- Gastronomy vouchers worth 40 mio. euros
- Stolz auf Wien Beteiligungs GmbH – public company to buy stakes of Vienna businesses in trouble
- WWTF-Call: 24 biomedical and social science projects for data collection and analysis of the current crisis

To make the recovery sustainable, new ideas to deal with climate change and Covid-19 were tested as well:

- Cool streets as places to hang out, play and cool down in the neighborhood with spray mist
- In order to create more space and safety for cyclists, temporary cycle paths were built in some streets
- Promotion of outdoor events: the “Donauinselfest”, one of the biggest open-air music festivals worldwide, will not be one major festival, but instead there will be 240 pop-up events in all Viennese districts over the summer
An overarching role is played by “Vienna 2030 - Economy and Innovation”, the Smart City Wien Framework Strategy 2019-2050, which is Vienna’s commitment to high quality of life for all inhabitants, combined with maximum resource conservation stemming from comprehensive social and technological innovation. It has a particularly strong focus on the objectives of economy and labor as well as science and research, thematically in the fields of mobility and transport, buildings, digitalization, health and education. The UN Sustainable Development Goals are deeply woven into this long-term strategy. It defines six areas of leadership, where Vienna wants to become internationally visible on the basis of already existing strengths:

– Smart solutions for life in the 21st-century city
– Vienna as a metropolis of health
– Digitalization, Vienna-style
– Smart production in the big city
– A place of international encounter
– Vienna – a metropolis of culture and creativity

The Covid-19 crisis clearly shows that Vienna has identified exactly the areas that have the potential to have a stimulating effect on the economy and the labor market and at the same time serve the sustainability goals.
THANK YOU FOR YOUR ATTENTION

For more information about Vienna please see: https://www.wien.gv.at/english